



# Appropriations Update

Committee on the Budget • Majority Caucus  
U.S. House of Representatives  
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## FISCAL YEAR 2006 DEPARTMENTS OF TRANSPORTATION, TREASURY, HOUSING AND URBAN DEVELOPMENT, THE JUDICIARY, DISTRICT OF COLUMBIA, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL – H.R. 3058

### SUMMARY

The appropriations bill for the Departments of Transportation, Treasury, Housing and Urban Development, the Judiciary, District of Columbia, and Independent Agencies – reported to the House on 24 June 2005 (H.R.3058; H.Rept. 109-153) – provides \$66.935 billion in total new budget authority and \$120.837 billion in outlays for fiscal year 2006. The bill is consistent with the appropriate levels in the conference agreement on the fiscal year 2006 budget resolution (H. Con. Res. 95), and hence

complies with the applicable provisions of the Congressional Budget Act. It also complies with budget resolution provisions such as those governing advance appropriations. It is the final of 11 appropriations bills for the fiscal year beginning 1 October 2005. The measure reflects the reorganization of the House appropriations subcommittees, which adds the Department of Housing and Urban Development and the District of Columbia government to this bill.

**Table 1: Departments of Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia, and Independent Agencies**

(fiscal years; millions of dollars)

	2005 Spending <sup>a</sup>	Administration 2006	302 (b) for 2006	Bill
Budget Authority	66,422	60,703	66,935	66,935
Outlays	117,402	120,275	120,837	120,837

<sup>a</sup> Excludes supplemental appropriations.

### COST OF THE LEGISLATION

The measure's \$66.935 billion in new budget authority [BA] is an increase of \$513 million compared with fiscal year 2005; the \$120.837 billion in outlays is \$3.435 billion more than the prior year (see Table 1).

The large difference between BA and outlays – which would be highly usual in any other spending bill – is common in measures involving transportation spending. BA for certain highway and transit programs – principally the Federal-aid highways programs – “spends out” slowly, meaning it takes several years for the spending authority to translate into

actual outlays. Consequently, each year's outlays include large amounts resulting from budget authority provided in previous years. This effect also is reflected in Table 1.

The slow spendout for highway and transit programs also requires a special mechanism for constraining new BA on a year-by-year basis. Highway and transit BA typically authorizes capital spending that runs over several years. It is classified as mandatory spending, similar to most entitlement programs, but is constrained by annually applied measures called “obligation limitations.”

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This bill contains obligation limitations totaling \$44.628 billion for spending from the Highway Trust Fund, of which \$36.287 billion is for the Federal-aid highways program, and \$7.210 billion is for transit programs. For transit programs, the total is \$435 million above the amount envisioned by the budget resolution; but there is no procedural prohibition for exceeding this limit. The bill also establishes an obligation limitation of \$3.6 billion for the Federal Aviation Administration [FAA] (the budget resolution does not establish such a limit for spending from the Airport-Airway trust fund).

The bill saves \$549 million through changes in mandatory spending programs, and rescinds \$2.497 billion in discretionary budget authority, with a reduction in outlays of \$1 million.

Compared with the President's request, the bill is \$6.2 billion higher in budget authority, and \$562 million above the administration in outlays. The difference occurs largely because the bill does not reflect the administration proposal to relocate the Community Development Block Grants program in the Department of Commerce.

### **COMPLIANCE WITH THE BUDGET RESOLUTION**

The bill complies with provisions of the Congressional Budget Act because it is consistent with the appropriate levels in the budget resolution. The budget authority and outlay levels are equivalent to the 302(b) suballocations to the Subcommittee on Transportation, Treasury, Housing and Urban Development, the Judiciary, District of Columbia, and Independent Agencies. Therefore, the point of order under section 302(f) of the Budget Act – which may be raised against a measure that exceeds its subcommittee's allocations – does not apply. Without the \$549 million in mandatory savings, however, the bill would exceed the subcommittee's 302(b) suballocation.

The bill provides \$4.273 billion in fiscal year 2007 BA for Section 8 Housing and the Postal Service – advance appropriations. Under the budget resolution, advance

appropriations are limited to a total of \$23.158 billion for fiscal year 2007, and only certain accounts – listed in the resolution's statement of managers – are eligible for such advances. Section 8 Housing and Postal Service accounts were both listed as eligible. Because no advance appropriations have yet been enacted, the amount in the bill does not breach the limit; hence, this bill does not violate the budget resolution. If enacted, the \$4.273 billion in advance appropriations included in this bill – along with the \$18.885 billion in advances already passed in the Labor/HHS/-Education appropriations bill – would reach the ceiling of \$23.158 billion in total advance appropriations provided for in the budget resolution.

The bill does not contain emergency appropriations, which are also governed by the budget resolution.

### **DISCUSSION**

As noted, the measure reflects increases from the fiscal year 2005 enacted levels of \$513 million in BA and \$3.4 billion in outlays (see Table 2, next page).

The \$549 million in mandatory BA savings (with \$80 million in outlay savings) are achieved within the FAA. The first change rescinds \$469 million of contract authority from the airport improvement program. The second increases receipts to the Aviation Insurance Revolving Fund by from continuation of the war risk insurance program; this yields \$80 million in BA and outlay savings.

Rescissions of previously enacted discretionary BA total \$2.497 billion in BA and \$1 million in outlays. BA savings are as follows: \$1 million from the National Transportation Safety Board [NTSB], \$2 million from Maritime Administration ship construction, and \$2.494 billion from

the Public and Indian Housing certificate fund. Outlay savings come from the NTSB.

The Department of Transportation is provided with \$61.959 billion in budgetary resources (BA + Oblims), \$4,457 billion above the request. This includes \$36.3 billion for the Federal-aid highways program and \$14.4 billion for the Federal Aviation Administration. Funding levels for Federal-aid highways are the same as those passed by the House in the reauthorization bill (H.R. 3), currently in conference with the Senate.

Treasury is funded at \$11.6 billion, \$358 million above 2005. Most of these funds – \$10.5 billion – go to the Internal Revenue Service [IRS]. Appropriations for the IRS are \$130 million below the request; overall funding for Treasury is \$94 million below the request.

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The District of Columbia Federal payments are \$603 million, \$48 million above 2005 and \$30 million above the President's request.

The bill funds the Department of Housing and Urban Development [HUD] at \$33.5 billion, \$544 million above the 2005 level. The bill does not reflect the administration's proposal to move Community Development Block Grants

[CDBGs] to the Commerce Department, instead keeping the program at HUD. Funding for Section 8 programs is split into two accounts, for accountability and oversight purposes.

The Judicial Branch is funded at \$5.4 billion in BA, which includes \$379 million for court security. This is \$326 million above the fiscal year 2005 level, and \$185 million below the request.

**Table 2: Discretionary Spending in the Departments of Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia, and Independent Agencies Appropriations Bill<sup>a</sup>**  
(in millions of dollars)

	2005 Budget Authority <sup>b</sup>	2005 Outlays <sup>b</sup>	2006 Budget Authority	2006 Outlays	Difference BA	Difference Outlays
Legislative Branch (US Tax Court) . . . . .	41	41	49	47	8	6
Judicial Branch . . . . .	5,090	5,106	5,416	5,413	326	307
Executive Office of the President . . . . .	284	286	285	301	1	15
Internal Revenue Service . . . . .	10,236	10,371	10,549	10,436	313	65
Other Department of Treasury . . . . .	958	975	1,003	1,027	45	52
Federal Aviation Administration . . . . .	10,357	13,356	10,827	14,422	470	1,066
Federal Highway Administration . . . . .	846	30,916	0	33,572	-846	2,656
Federal Railroad Administration . . . . .	1,425	1,452	732	778	-693	-674
Federal Transit Administration . . . . .	956	8,417	1,272	8,971	316	554
Other Department of Transportation . . . . .	692	1,475	900	1,873	208	398
General Services Administration . . . . .	-44	-274	217	-32	261	242
Public and Indian Housing Programs . . . . .	24,236	31,409	24,899	31,062	663	-347
Community Planning and Development . . . . .	8,191	8,834	7,748	8,884	-443	50
Other Housing and Urban Development . . . . .	492	1,604	816	1,632	324	28
Office of Personnel Management . . . . .	297	292	244	243	-53	-49
Other Independent Agencies . . . . .	2,335	3,113	1,949	2,179	-386	-934
Other . . . . .	30	29	29	29	-1	0
Total . . . . .	66,422	117,402	66,935	120,837	513	3,435

<sup>a</sup> The Congressional Budget Office has recast amounts in the fiscal year 2005 appropriations bills to align with the components of the restructured 2006 appropriations, making the comparison above possible.

<sup>b</sup> Excludes supplemental appropriations.

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